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U.S. moves toward helping China build fighters

By Walter Andrews THE WASHINGTON TIMES

The United States is taking the first of what could be many steps toward helping China upgrade its fighter aircraft industry, informed government sources said yesterday.

In the last few weeks, the U.S. Air Force has completed a draft "statement of work" for improvements that would enable the Chinese F-8 fighter aircraft to fight in all kinds of weather using American radar and electronic missile fire control systems, said the sources, who spoke on the basis of remaining unidentified.

The statement of work will be the basis for the possible signing of a contract either later this year or early next, the sources said. It will

include information on the cost of the upgrade and when the equipment would be available.

A critical issue still to be thrashed out is the U.S. technology that would be transferred to China and the amount of work that would be done in Chinese factories, the sources said.

China would like to do as much of the work as possible as part of an effort to modernize its military aircraft production facilities, the sources said, and U.S. military and industry teams have been visiting China in recent months to discuss this proposed modernization.

Several months ago, a 21-man U.S. Air Force team visited China to discuss the F-8 modernization and acquire information for the statement of work, the sources said.

One source said that since only 50 F-8 aircraft would be involved in the radar upgrade, its unit cost would be high. This raises the possibility of the deal eventually not going through because the Chinese are low on cash.

Following President Reagan's trip last year, the United States approved government-to-government sales under the Foreign Military Sales program. China was, however, granted no FMS credits of the sort given major U.S. allies. The sales have to be for cash.

The radar intended for use in the F-8 upgrade is the APG-69 made by Emerson Electric, the sources said. A spokesman for Emerson said he knew nothing about the deal.

The APG-69 was the losing contender in the competition for the

radar used on the F-20 fighter aircraft developed by Northrop Corp. mainly for sales overseas.

A proposal to produce the F-20 in Taiwan was turned down by the Reagan administration several years ago after China objected.

The turndown upset many conservatives in Congress, who are strong supporters of the Chinese nationalist government, which moved to Taiwan after the communist takeover in 1949.

The sources said the modernized F-8s would be used as interceptor aircraft in the north near the border with the Soviet Union and not along the coast opposite the island nation of Taiwan.

According to the authoritative Jane's World Aircraft, the deltawing F-8 was designed by the Chinese using technology from the Soviet Mig-23 variable-swept wing combat plane, one or two of which were obtained from Egypt in 1976.

Citing a Defense Intelligence Agency report, Jane's said the F-8 had not entered production as of July 1981 because of the failure to

build an adequate number of jet engines.

The United States and China agreed in principle to the sale of U.S. weapons in June of last year. Hawk anti-aircraft and TOW anti-tank missiles were mentioned specifically at the time.

Early this year, agreement was reached on a naval package to modernize Chinese destroyers, which included torpedoes, sonars, turbine engines and a shipboard anti-aircraft gun system.